

MEMORANDUM

TO: Members, Public Disclosure Commission

FROM: Philip E. Stutzman, Director of Compliance

DATE: March 17, 2003

SUBJECT: Status of Compliance Cases

Enclosed is an update of all compliance activity since my last memo to you dated January 17, 2003. If you would like additional information, please let me know.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

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Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Part I

Investigations Completed

Cases Scheduled For Hearing:

Scheduled for Full Enforcement Action/Report to the Commission

**Wasson, Don (scheduled for hearing); (Peterson, Gary; Benjamin, Richard; Foote, Michael; Steenrod, Maggie; Guite, Jerry; Coomer, Joe - not scheduled for hearing)
Case #02-296; Investigator: Sally Parker**

Date Received: April 15, 2002

Date Started: April 19, 2002

Section of Law: RCW 42.17.040, .080, .090, .100, .120, .240 and .510

Status: Investigation Complete

Summary: A complaint was received from Dave Kaplan alleging that Gary Peterson failed to disclose information on his Personal Financial Affairs Statement (PDC Form F-1); that consulting services were provided by Don Wasson to two Des Moines City Council candidates that exceeded the mini reporting limits; that the Des Moines Marina Association made contributions to three candidates for Des Moines City Council that were not disclosed; that a political advertisement was produced and distributed in the City of Des Moines without sponsor identification; that additional political advertisements supporting or opposing candidates for Des Moines City Council failed to contain proper sponsor identification and were not timely reported; and that public facilities of King County Water District #54 were used to produce and distribute a flyer that supported or opposed candidates for Des Moines City Council in the 2001 City Council elections. On May 1, 2002, a complaint addressing several of the same issues was received from Stanley M. Scarvie on behalf of Citizens for Des Moines. Mr. Scarvie's complaint has been combined with Case #02-296.

NOTE: The investigative portion of the complaint regarding Michael Foote's alleged use of the public facilities of King County Water District #54 to produce and distribute a flyer that supported or opposed candidates has been suspended pending the outcome of pending litigation.

In addition, Don Wasson was added as a Respondent, and staff has alleged that Mr. Wasson failed to register as a political committee, failed to report

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contributions and expenditures for his political committee, accepted and made contributions in excess of \$5,000 within 21 days of the 2001 general election, and concealed the source and amount of contributions made and an independent expenditure. An enforcement hearing before the full Commission for Don Wasson was scheduled for January 28, 2003, but has been postponed to the March 25, 2003 full Commission hearing.
Disposition: Pending

Hopkins, Hank/Environmental Materials Transport, LLC--Case #03-153;

Investigator: Sally Parker

Date Received: April 15, 2002

Date Started: April 19, 2002

Section of Law: RCW 42.17.105 & .120

Status: Investigation Complete

Summary: This case is related to PDC Case No. 02-296 listed above. Hank Hopkins as President of Environmental Materials Transport, LLC (EMTLLC) was added as a respondent by PDC staff alleging that Mr. Hopkins made contributions in excess of \$5,000 within 21 days of the 2001 general election by contributing \$20,000 to Don Wasson's political committee to support Des Moines City Council candidates Petersen, Benjamin and Steenrod. It was further alleged that Mr. Hopkins and EMTLLC concealed the source and amount of an initial \$1,000 payment that was made to Don Wasson and his political committee to support the campaigns of Gary Petersen and Richard Benjamin. In addition, it is also alleged that Mr. Hopkins and EMTLLC concealed the source and amount of contributions that were made to Mr. Wasson's political committee totaling \$20,000 that also supported the 2001 Council campaigns of Mr. Petersen, Mr. Benjamin, and Ms. Steenrod. An enforcement hearing before the full Commission was scheduled for January 28, 2003, but has been postponed to the March 25, 2003 full Commission meeting.

Disposition: Pending

Foote, Henry M. “Mike”--Case #03-155; Investigator: Sally Parker

Date Received: February 7, 2003

Date Started: February 7, 2003

Section of Law: RCW 42.17.120

Status: Investigation Complete

Summary: A complaint was filed by Dave Kaplan alleging that Henry M. (Mike) Foote, a candidate for Des Moines City Council during the 1999 election cycle,

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received and reported contributions to his 1999 campaign that concealed, and failed to identity the true source of the funds.

Disposition: Pending

Michalson, Marty--Case #03-156; Investigator: Sally Parker

Date Received: February 7, 2003

Date Started: February 7, 2003

Section of Law: RCW 42.17.120

Status: Investigation Complete

Summary: A complaint was filed by Dave Kaplan alleging that Marty Michalson, a candidate for Des Moines City Council during the 1999 election cycle, received and reported contributions to his 1999 campaign that concealed, and failed to identity the true source of the funds.

Disposition: Pending

Environmental Materials Transport, LLC (EMT) and its managers and TME Capital Group and its investors--Case #03-158; Investigator: Sally Parker

Date Received: March 5, 2003

Date Started: March 5, 2003

Section of Law: RCW 42.17.120

Status: Investigation Complete

Summary: Based on the complaints filed by Dave Kaplan, PDC Case No. 03-155 & 03-156, in which it was alleged that Marty Michalson and Henry M. (Mike) Foote, both candidates for Des Moines City Council during the 1999 election cycle, received and reported contributions to their 1999 campaigns that concealed, and failed to identity the true source of the funds. The PDC staff investigation found that the following individuals and entities, Denis Bryant; Dixie Collett; Ginger Marshall; Enviroc, Inc; EMT and its managers Hank Hopkins, Elling Halvorson, Catherine Boshaw, Michael Mehlhoff; TME Capital Group, LLC (TME) and its investors Elling Halvorson, Catherine Boshaw, Doug Edlund, Tim Teteak, Lon Halvorson and John Taylor may have engaged in activities attempting to conceal the true source of the contributions made in PDC Case No. 03-155 & 03-156 in violation of Chapter 42.17 of RCW and have been added as respondents in the complaint.

Disposition: Pending

Concerned Citizens for Better Government (CCBG) and Joseph Coomer, Treasurer, CCBG--#03-080; Investigator: Kurt Young

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Date Received: November 6, 2002

Date Started: November 6, 2002

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Vicki Rippie, PDC Executive Director, alleging that the Concerned Citizens for Better Government (CCBG) and Joseph Coomer, Treasurer of CCBG distributed political advertising related to more than one election cycle without reporting contribution and expenditures activities that were undertaken. A report will be presented to the full Commission at the March 25, 2003 meeting.

Disposition: Pending

Scheduled for Brief Enforcement Hearing

None at this time.

Cases Closed

The following cases were closed as a result of enforcement hearings: (Respondents may appeal the results of enforcement hearings. For the results of appeals, see “Compliance” and “Results of Enforcement” on the PDC’s home page at www.pdc.wa.gov)

Full Enforcement Hearing

Protect Our Pets and Wildlife--Case #01-134; Investigator: Suemary Trobaugh

Date Received: October 20, 2000

Date Started: October 25, 2000

Section of Law: RCW 42.17.080, .090 and .510

Status: Investigation Complete

Summary: A complaint was received from Ed Owens, Chair of Citizens for Responsible Wildlife Management, alleging that Protect Our Pets failed to report in kind contributions from a flyer mailing and a postcard mailing. The postcard mailing allegedly did not contain proper sponsor identification. Mr. Owens also alleged that Protect Our Pets failed to report expenditures for political ads placed with local television stations (King-5, KIRO, and KOMO in Seattle). In addition, Mr. Owens alleged that these ads did not contain proper sponsor identification. A brief enforcement hearing was held on October 18, 2001. However, rather than ruling on the case, the Presiding Officer continued the matter to the November 1,

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2001 brief hearing date. On November 1, 2001, Chair Christine Yorozu, the Presiding Officer at the hearing, declined to hear additional evidence and moved the matter to be heard by the full Commission. An enforcement hearing was held before the full Commission on January 22, 2002. The Commission found that Protect Our Pets and Wildlife committed an apparent violation of RCW 42.17.080, and .090, and referred the matter to the Attorney General’s Office. The Attorney General’s Office took no action regarding the referral, and in accordance with the Commission’s order, returned the matter to the Commission for disposition.

Disposition: The full Commission deliberated on this case at its January 28, 2003 Commission meeting, and found that the Respondent committed multiple violations of RCW 42.17.080 and .090 by failing to timely report obligations and the details of payments made as part of a political advertising media buy during its 2000 campaign to support Initiative 713, and was assessed a civil penalty of \$2,500.

Whatcom County Republican Party--Case #03-019; Investigator: Kurt Young

Date Received: August 8, 2002

Date Started: August 9, 2002

Section of Law: RCW 42.17.065, .080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Vicki Rippie, PDC Executive Director, alleging that the Whatcom County Republican Party failed to timely report contribution and expenditure information for activities undertaken during calendar years 1999, 2000 and 2001.

Disposition: An enforcement hearing before the full Commission was held on January 28, 2003. The Commission found that the WCRP committed multiple violations of RCW 42.17.080 and 42.17.090 during calendar years 1999, 2000 and 2001 by failing to timely file reports of contribution and expenditure activities (PDC Forms C-3 and C-4) and by failing to timely report details of expenditures. A total civil penalty of \$5,000 was assessed against the WCRP, of which \$2,500 of the penalty is suspended on the condition that the WCRP commits no further violations of RCW 42.17 through the end of calendar year 2004.

Potter, John--Case #03-128; Investigator: (Group Enforcement – not a formal complaint)

Date Received: November 27, 2002

Date Started: November 27, 2002

Section of Law: RCW 42.17.080 and .090

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Status: Investigation Complete

Summary: A brief enforcement hearing was scheduled for December 11, 2002, to determine whether John Potter violated RCW 42.17.080 and 42.17.090 by failing to timely file the report of contributions and expenditures (PDC form C-4) that was due 7 days before the 2002 general election, by October 29, 2002. At the hearing, Presiding Officer Michael Connelly declined to hear the case and referred it to the full Commission.

Disposition: An enforcement hearing before the full Commission was held on January 28, 2003. The Commission found that the Respondent did not violate RCW 42.17.080 and 42.17.090, and dismissed the case finding no violation occurred.

Brief Enforcement Hearings: For the results of group enforcement brief enforcement hearings, other than from investigations, see “Compliance” and “Results of Enforcement” on the PDC’s home page at www.pdc.wa.gov)

Blankenship, Michael-- Case #02-351; Investigator: Suemary Trobaugh

Date Received: May 8, 2002

Date Started: May 16, 2002

Section of Law: RCW 42.17.241

Status: Investigation Complete

Summary: A complaint was received from John E. Hill alleging that Michael Blankenship, a school board member in Kettle Falls School District 212 and a Ferry County Commissioner, failed to report all required information on his 1998, 2001 and 2002 Personal Financial Affairs Statements.

Disposition: A brief enforcement hearing was held on February 12, 2003. The Respondent was found to have violated RCW 42.17.241 by failing to timely report income received during calendar years 1997, 2000, and 2001 on the Personal Financial Affairs Statements that were due to be filed no later April 15, 1998, April 16, 2001, and April 15, 2002. The Respondent was assessed a civil penalty of \$250.

Citizens for a Better Covington – Case #03-022; Investigator: Tony Perkins

Date Received: August 2, 2002

Date Started: August 8, 2002

Section of Law: RCW 42.17.080, .090 and .105

Status: Investigation Complete

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Summary: A complaint was received from Mark Zimmerman alleging that the Citizens for a Better Covington, a political committee, failed to timely file last minute contribution reports and other committee reports as required.

Disposition: A brief enforcement hearing was held on March 17, 2003. The Respondent was found to have violated RCW 42.17.080 and 42.17.090 by failing to timely report contributions received and expenditures made in connection with its efforts to support three Covington City council candidates in the 2001 election. The Respondent was assessed a civil penalty of \$400. The presiding officer also acted to dismiss the portion of the complaint filed against Geoff Simpson, Mark Lanza, Wayne Snoey, and Tim Goddard.

Public School Employees of Washington--Case #03-059; Investigator: Sally Parker

Date Received: September 30, 2002

Date Started: September 30, 2002

Section of Law: RCW 42.17.100 & .103

Status: Investigation Complete

Summary: A complaint was received from Martyn Butler alleging that the Public School Employees of Washington failed to timely file an Independent expenditure Report (PDC Form C-6) within 24 hours as required if the expenditure occurs within 21 days of an election.

Disposition: A brief enforcement hearing was held on February 12, 2003. The Respondent was found to have violated RCW 42.17.100 and 42.17.103 by failing to timely file independent expenditure and special campaign finance reports as required within 21 days of an election. The Respondent was assessed a civil penalty of \$250.

So Tired of Paying Taxes--Case #03-061; Investigator: Sally Parker

Date Received: September 13, 2002

Date Started: October 21, 2002

Section of Law: RCW 42.17.040, .080 & .090

Status: Investigation Complete

Summary: A complaint was received from Dennis Antonellis alleging that the So Tired of Paying Taxes Committee failed to timely file the Committee Registration Statement (PDC Form C-1pc), and failed to timely disclose the committee's contribution and expenditure activities.

Disposition: A brief enforcement hearing was held on March 17, 2003. The Respondent was found to have violated RCW 42.17.080 and 42.17.090 by failing to timely report debts and obligations incurred in connection with its efforts to

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oppose a local ballot measure in the September 17, 2002, election. The Respondent was assessed a civil penalty of \$400.

Bauer, Ron--Case #03-070; Investigator: Kurt Young

Date Received: October 16, 2002

Date Started: October 16, 2002

Section of Law: RCW 42.17.080, .090 & .640

Status: Investigation Complete

Summary: A complaint was filed by Deryl McCarty, Secretary for the Pierce County Republican Party, alleging that Ron Bauer, a candidate for State Representative in the 2nd Legislative District, failed to report contribution and expenditure activities during the 2002 election. It was further alleged that Mr. Bauer failed to timely file contribution and expenditure reports for activities undertaken during the 2000 election cycle, for which he was also a legislative candidate. In addition, it was also alleged that Ron Bauer received contributions that exceeded the primary contribution limits of \$625.

Disposition: A brief enforcement hearing was held on February 12, 2003. The Respondent was found to have violated RCW 42.17.080 and 42.17.090 by failing to timely file the C-4 report due seven days before the 2000 general election and the post-election C-4 report due by December 11, 2000, and by failing to file the C-4 reports due 21 and seven days before the 2002 primary election, and the post-election C-4 report due October 10, 2002. The Respondent was assessed a civil penalty of \$500.

Jacobson, Deborah--Case #03-073; Investigator: Sally Parker

Date Received: October 24, 2002

Date Started: October 24, 2002

Section of Law: RCW 42.080 and .090

Status: Under Investigation

Summary: A complaint was filed by Sandra Olson, Executive Director of the Senate Republican Campaign Committee, alleging that Deborah Jacobson, a candidate for State Senator in the 47th Legislative District, failed to timely report contribution and expenditure activities undertaken during the 2002 election cycle.

Disposition: A brief enforcement hearing was held on March 17, 2003. The Respondent was found to have violated RCW 42.17.080 and 42.17.090 by failing to timely report expenditures, RCW 42.17.105 by failing to timely report contributions totaling more than \$1,000 received during the 21 days before the 2002 general election, and RCW 42.17.3691 by failing to electronically file all PDC reports. The Respondent was assessed a civil penalty of \$500.

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The following cases were dismissed with the concurrence of the chair during this period:

Carlson, John-- Case #03-004; Investigator: Suemary Trobaugh & Kurt Young

Date Received: June 28, 2002

Date Started: June 28, 2002

Section of Law: RCW 42.17.080, .090, and .640

Status: Investigation Complete

Summary: A complaint was received from Richard Pope alleging that John Carlson, a candidate for Governor in 2000, violated RCW 42.17.080 and .090 by failing to include employer and occupation information for in-kind contributors, by failing to properly report campaign liabilities, by failing to provide a detailed descriptions of the reimbursements or credit card charges made by the candidate and other committee officials, and by failing to provide a breakdown of media buys made by the campaign. The complaint also alleged violations of RCW 42.17.640 by accepting in-kind contributions from contributors in excess of the 2000 primary contribution limit of \$1,200.

Disposition: Dismissed with the concurrence of the chair. It was found that the following occurred:

- The Carlson Campaign filed amended C-4 reports on August 26, 2002 and September 11, 2002, providing the missing employer and occupation information. Although the campaign failed to timely disclose the occupation and employer information for twenty-one individual contributors, the Carlson Campaign timely provided the required occupation/employer information for 96.04% of individual contributors who made monetary contributions.
- The Carlson Campaign made reimbursements to the candidate and other committee officials totaling \$42,305, and expenditures totaling \$20,739 to Wells Fargo for credit card payments without providing copies of receipts or detailed descriptions of the reimbursements or charges. On August 26, 2002 and September 11, 2002, the Carlson Campaign filed amended reports, which detailed the reimbursements made to the candidate, the campaign workers, PR firm, or advertising agency by the campaign, and also breaking down the credit card payments made to Wells Fargo from March 1, through December 31, 2000.

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- The Carlson Campaign initially reported the total amount spent for media buys to the Farwell Group, the Madison Group, and Pacificom and identified the television and radio stations that were included in the media buys for the reporting period, but did not identify the amount spent for each station. The campaign filed amended reports that identified the stations included in the each media buy, but again did not provide the cost spent on each station for that media buy. The Carlson Campaign submitted additional information on January 10, 2003, breaking down the amount spent for each station for the primary election, the general election, and the total amount spent on each station, including commission payments made to the Farwell Group.
- The Carlson Campaign acknowledged receiving and using in-kind contributions that exceeded the 2000 contribution limits from four contributors named in the complaint. The campaign filed amended reports in August and September 2002 indicating that those four entities had exceeded contribution limits by a total of \$1,562.92, not the \$4,721 as alleged in the complaint. The Carlson Campaign filed a C-4 report on October 10, 2002, disclosing a \$410 refund to Printco, a \$300 refund to The Madison Group, a \$497.57 refund to BUILD, and a \$355.35 refund to Honda of Kirkland, all being made on September 27, 2002.

**Snohomish County Deputy Sheriff’s Association & Mike Ashley--Case #03-020;
Investigator: Lori Anderson**

Date Received: September 18, 2002

Date Started: September 18, 2002

Section of Law: RCW 42.17.080, .090 & .100

Status: Investigation Complete

Summary: A complaint was received from Michael Roskind alleging that the Snohomish County Deputy Sheriff’s Association made expenditures during the 2001 Snohomish County Council elections that supported the Mike Ashley Campaign and have not been reported either as an independent expenditure by the Snohomish County Deputy Sheriffs’ Association (SCDSA) or as an in-kind contribution received by the Mike Ashley campaign.

Disposition: Dismissed with the concurrence of the chair. It was found that the SCDSA gave their endorsement to Mike Ashley for Snohomish County Council in 2001. In addition, the SCDSA made three in-kind contributions to the Mike Ashley campaign, but the campaign failed to timely report those in-kind contributions from the SCDSA for the following: the rental of a billboard (\$700),

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the artwork and installation of the billboard (\$500), and for endorsement placards that were affixed to Mike Ashley campaign yard signs (\$50). The \$1,250 of in-kind contributions from the SCDSA represented less than 2% of the total contributions received by the Mike Ashley campaign, and the campaign was cautioned to timely report all contributions received in future elections.

Porter, Rick– Case #03-021; Investigator: Tony Perkins

Date Received: October 3, 2002

Date Started: October 7, 2002

Section of Law: RCW 42.17.040, .080, .090 and .510

Status: Investigation Complete

Summary: A complaint was received from Karen Unger alleging that the Rick Porter Campaign filed campaign reports that did not accurately disclose contribution and expenditure activities, failed to include the complete campaign records inspection information on the Candidate Registration Statement (PDC Form C-1), and sponsored political advertising that failed to contain the proper sponsor identification.

Disposition: Dismissed with the concurrence of the chair. It was found that the Rick Porter campaign correctly aggregated and timely reported candidate loans and other contributions received by the campaign, with the exception of one in-kind contribution that was corrected by the campaign. The Rick Porter campaign correctly reported payments of expenditures that had previously been reported as a campaign debt or obligation, with the exception of one expenditure that was corrected as an adjustment. We also found that the Rick Porter campaign amended the Candidate Registration Statement (PDC Form C-1) on October 15, 2002, to include the time and location for the campaign books to be open for public inspection, which was 21-days prior to the general election and 13-days prior to the beginning of the open records inspection period. Finally, the Rick Porter campaign had been warned about sponsoring political advertising that failed to contain the proper sponsor identification. The campaign acted in good faith when distributing a multi-page advertisement, and yard signs in question were exempt from the sponsor identification requirements.

Save Our Spending Limits – Case #03-023; Investigator: Suemary Trobaugh

Date Received: August 8, 2002

Date Started: August 8, 2002

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Summary: A complaint was received from Andy Grow alleging that Save Our Spending Limits, a political committee that supported a statewide ballot proposition, Initiative 791 during 2002, failed to file reports disclosing activities undertaken during its signature gathering efforts.

Disposition: Dismissed with the concurrence of the chair. It was found that the contribution and expenditure activities undertaken during June of 2002 by the Save Our Spending Limits Committee (SOSL) were reported 30 days late on August 9, 2002. However, the activities of SOSL concluded on July 5, 2002, when they failed to obtain and turn in the required number of signatures to qualify the measure for the November 5, 2002 ballot. While the PDC does not condone the late filing of reports, SOSL was cautioned to insure that it adheres to the contribution and expenditure reporting requirements in future campaigns.

Jackley, Brock--Case #03-046; Investigator: Sally Parker

Date Received: September 6, 2002

Date Started: September 6, 2002

Section of Law: RCW 42.17.530

Status: Investigation Complete

Summary: A complaint was received from Lois McMahan alleging that the Brock Jackley Campaign produced and distributed political advertising that contained false statements of material fact made with actual malice against Ms. McMahan, a candidate opposing Brock Jackley.

Disposition: Dismissed with the concurrence of the chair. It was found that in two instances, the statements made by Mr. Jackley in the political advertisement against Ms. McMahan were factual statements that were proven by clear and convincing evidence. In two other instances, the statements made by Mr. Jackley in the political advertisement against Ms. McMahan were matters of opinion rather than a false statement proven by clear and convincing evidence.

Simpson, Geoff--Case #03-047; Investigator: Sally Parker

Date Received: September 11, 2002

Date Started: September 11, 2002

Section of Law: RCW 42.17.530

Status: Investigation Complete

Summary: A complaint was received from Irma Larson alleging that the Geoff Simpson Campaign used photographs of Ms. Larson in political advertising as an endorsement of his candidacy, when no endorsement had been obtained.

Disposition: Dismissed with the concurrence of the chair. It was found that the Geoff Simpson Campaign used a photograph taken with the permission of Ms.

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Larson for the 2000 campaign for State Representative. Mr. Simpson relied on the fact that Ms. Larson had given her permission for the 2000 campaign, and again used the photograph for the 2002 campaign on his website and on campaign postcards. When Representative Simpson learned that Ms. Larson no longer endorsed his candidacy, he removed the photograph from the website and discontinued distributing the postcard.

Senate Republican Campaign Committee--Case #03-060; Investigator: Suemary Trobaugh

Date Received: October 4, 2002

Date Started: October 4, 2002

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A complaint was received from Kurt Fritts, Executive Director of the Senate Democratic Campaign Committee, alleging that the Senate Republican Campaign Committee failed to timely report contribution and expenditure activities.

Disposition: Dismissed with the concurrence of the chair. It was found that the SRCC hosted a fundraiser on September 19, 2002 in which only three contribution checks were received at that fundraising event and one was returned. Many of the checks received by the SRCC from lobbyists in the weeks surrounding the fundraiser may have been sent in response to the fundraiser invitation, but she has no way to confirm that belief. No evidence was submitted to substantiate the allegation that the SRCC failed to report contributions it received at the September 19 fundraiser. The SRCC filed 11 C-4 reports during calendar year 2002, of which three reports were filed one day late, one report was filed 10 days late, and another report was filed 29 days late. The SRCC filed 43 C-3 reports during calendar year 2002, of which one was filed 29 days late, six C-3 reports were filed 10 days late, one C-3 report was filed eight days late, and one C-3 report was filed two days late. While the Public Disclosure Commission does not condone late reporting, the majority of SRCC's late-filings occurred during or prior to June, 2002, three of the late filed C-4 reports were filed one day late, and since the SRCC treasurer experienced difficulty in learning to use the WEDS software, no further enforcement action was warranted.

Healthcare for Washington's Working Families--Case #03-062; Investigator: Tony Perkins

Date Received: September 3, 2002

Date Started: October 21, 2002

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Section of Law: RCW 42.17.105

Status: Investigation Complete

Summary: A complaint was received from Janet Vantzelfden alleging that the Healthcare for Washington's Working Families (HWWF), a 2001 statewide initiative committee, received contributions within 21-days of the 2001 general election that exceeded \$5,000 from one source.

Disposition: Dismissed with the concurrence of the chair. It was found that on January 9, 2002, HWWF committee reported that it received an in-kind contribution valued at \$5,339.73 from the American Lung Association on October 31, 2001, and in-kind contributions of \$1,750 and \$4,000 from the American Heart Association on October 20, 2001, and November 2, 2001, respectively. The investigation found that both the \$5,339.73 in-kind contribution from the American Lung Association and the \$4,000 contribution from the American Heart Association were in the form of staff and office services. While these contributions appeared to have been accepted within 21 days of the general election, the \$5,339.73 in-kind contribution was received over a four-week period and the \$4,000 contribution was received over a four-month period from July through October 2001. Neither was received exclusively within 21 days of the general election. HWWF committee did not receive contributions over \$5,000 from either the American Lung Association or the American Heart Association within 21 days of the general election. HWWF committee should have disclosed in-kind contributions of staff and office services from the American Lung Association and the American Heart Association in a timely manner for the reporting periods in which the contributions were actually received. However, the late-reported contributions were less than one percent of the total contributions received by HWWF committee.

Myers, Brett--Case #03-063; Investigator: Tony Perkins

Date Received: October 9, 2002

Date Started: October 21, 2002

Section of Law: RCW 42.17.530

Status: Investigation Complete

Summary: A complaint was received from Steven R. Tomson alleging that Brett Myers, a Republican candidate for Whitman County Sheriff, falsely implied or claimed that he was the incumbent sheriff on political advertising sponsored by his campaign.

Disposition: Dismissed with the concurrence of the chair. It was found that the Brett Myers Campaign sponsored political advertising in the form of a campaign sticker and campaign logos on his web site that failed to indicate Mr. Myers party

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

affiliation or that Mr. Myers was seeking the office of Whitman County Sheriff. Mr. Myers was contacted by PDC staff and also sent a warning letter requesting that corrective action be taken concerning the campaign stickers and the web site. Mr. Myers contacted PDC staff and informed them he took immediate corrective action, thus no further enforcement action was warranted.

Ward, Yvonne– Case #03-067; Investigator: Tony Perkins

Date Received: October 17, 2002

Date Started: October 17, 2002

Section of Law: RCW 42.17.080 & .090

Status: Investigation Complete

Summary: A complaint was received from Tabitha Wells alleging that Yvonne Ward, a candidate for State Senator, failed to timely file reports disclosing contribution activities.

Disposition: Dismissed with the concurrence of the chair. It was found that the Yvonne Ward Campaign filed C-3 reports on October 17, 2002, and October 15, 2002, respectively. The report filed on October 17, 2002, disclosed a deposit of \$5,644 and was filed ten days late. The report filed October 15, 2002, disclosed a deposit of \$7,090 and was filed one day late. While the Public Disclosure Commission does not condone late filing, given that the remainder of the reports filed by the Yvonne Ward Campaign were in substantial compliance, the alleged violations did not warrant further enforcement action.

Bookspan, Elizabeth– Case #03-069; Investigator: Tony Perkins

Date Received: October 9, 2002

Date Started: October 21, 2002

Section of Law: RCW 42.17.060 & .640

Status: Investigation Complete

Summary: A complaint was received from Ralph E. Gorin, Chair of the 45th District Democratic Organization, alleging the Elizabeth Bookspan Campaign had accepted contributions that exceeded the contribution limits, and that contributions received by the campaign may have been accepted and deposited by someone other than the campaign treasurer or deputy treasurer.

Disposition: Dismissed with the concurrence of the chair. It was found that the Elizabeth Bookspan campaign reported the receipt and deposit of a \$650 contribution from Charles Connor on a C-3 transmitted October 7, 2002. The \$650 contribution was received and deposited into the campaign account by Ms. Bookspan and reported by the treasurer, Ross Marzolf, both who were not aware of the campaign's receipt of this excess \$25 contribution over the contribution

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

limits until after it had been deposited. The campaign filed a C-4 report on October 29, 2002, reporting a refund to Charles Connor of the excess portion of his contribution. The refund occurred on October 10, 2002. Given the minor nature of the excess contribution in this case and the fact that the Elizabeth Bookspan campaign quickly refunded the excess portion of the contribution, no further enforcement action was warranted in this case.

Nixon, Toby--Case #03-072; Investigator: Kurt Young

Date Received: October 18, 2002

Date Started: October 18, 2002

Section of Law: RCW 42.17.640

Status: Investigation Complete

Summary: A complaint was filed by Ralph E. Gorin, chair of the 45th Legislative District Democrat's, alleging that Toby Nixon, a candidate for State Representative in the 45th Legislative District, received a contribution that exceeded the general election contribution limits of \$625.

Disposition: Dismissed with the concurrence of the chair. It was found that the Toby Nixon Campaign initially reported receiving a \$1,250 contribution on October 11, 2002, from Global Inventures, and attributing \$625 to the 2002 primary contribution and \$625 to the general election. In the response from Toby Nixon, he indicated the \$1,250 contribution from Global Inventures was actually received by him on September 16, 2002, prior to the 2002 primary election, but that the check had been misplaced by Mr. Nixon and subsequently found three weeks later. When Mr. Nixon gave the check to his treasurer, he failed to inform the treasurer that the contribution from Global Inventures had actually been received on September 16th. The Toby Nixon Campaign included a photocopy of the contribution check received from Global Inventures indicating the check was for a total of \$1,250, was dated September 11, 2002, and made prior to the primary election being held. Global Inventures is headquartered in San Ramon, California.

Selland, Robert--Case #03-074; Investigator: Sally Parker

Date Received: October 25, 2002

Date Started: October 25, 2002

Section of Law: RCW 42.15.530

Status: Investigation Complete

Summary: A complaint was filed by Eugene Dana alleging that Robert Selland, a candidate for Kittitas County Sheriff, sponsored political advertising that

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

indicated he had received an endorsement from Perry Hutson, when in fact no such endorsement had been given.

Disposition: Dismissed with the concurrence of the chair. It was found that at the request of Andy Johnson, Mr. Selland’s campaign manager, Mr. Johnson approached Kittitas County Commissioner Perry Huston who agreed to “put in a good word” for Mr. Selland when he was speaking at a local Kiwanis meeting. Based on that information, Mr. Selland assumed that Commissioner Huston had endorsed his candidacy by his willingness to have him speak at a Kiwanis meeting, and in accordance with that assumption included Commissioner Huston’s name in a list of people endorsing his candidacy in a newspaper advertisement and in political flyers that were distributed to voters. After the advertisements began appearing, Commissioner Huston contacted Mr. Selland requesting him to stop listing his name as an endorser of the campaign. Mr. Selland immediately removed Commissioner Huston’s name from further advertising and stopped distributing the flyers claiming Commissioner Huston’s endorsement. Because Mr. Selland acted in good faith and took immediate action to stop using the endorsement when notified that Commissioner Huston did not endorse him, there was no evidence that Mr. Selland acted with actual malice.

Wilson, Terry--Case #03-075; Investigator: Kurt Young

Date Received: October 24, 2002

Date Started: October 24, 2002

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Susan Berry alleging that Terry Wilson, a candidate for Lewis County Coroner, failed to timely report a \$750 contribution from the Lewis County Republican Central Committee (LCRCC).

Disposition: Dismissed with the concurrence of the chair. It was found that the LCRCC timely filed its 7-day pre-general election C-4 report of contributions and expenditures disclosing they made a \$750 contribution to the Terry Wilson Campaign on October 14, 2002. Mr. Wilson indicated that the \$750 check from the LCRCC was sent to him with a postmark date of October 18, 2002, and that Mr. Wilson received the check on October 21, 2002, and on October 22, 2002 turned the check over to his treasurer. The treasurer reported depositing the check on October 24, 2002, and on October 28, 2002, the Terry Wilson Campaign timely filed a C-3 report listing receipt of a \$750 contribution from the LCRCC. The Wilson campaign deposited the contribution within five days of receipt, and timely filed a C-3 report on Monday, October 28, 2002.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

O’Malley, Patrick--Case #03-076; Investigator: Lori Anderson

Date Received: October 24, 2002

Date Started: October 24, 2002

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Cort O’Connor alleging that Pat O’Malley, a candidate for Pierce County Superior Court judge, failed to timely file reports of contribution and expenditure activities during the 2002 election cycle.

Disposition: Dismissed with the concurrence of the chair. It was found that the Pat O’Malley for Judge campaign filed an incomplete 21-day pre-general election C-4 report on October 11, 2002 with a report period ending date of September 30 rather than October 8 due to the treasurer misreading the reporting due dates. The Pat O’Malley for Judge campaign made a \$250 deposit on October 8 that was timely reported on a C-3 report, and a \$319.14 expenditure on October 3, 2002, that was reported 14 days late on October 29, 2002. No other activity occurred during the period October 1 – October 8, 2002. Around October 15, 2002, the Pat O’Malley for Judge campaign contracted with JR Mailing Services to design, produce, and mail the “Elect O’Malley” postcard political advertisement. The Pat O’Malley for Judge campaign timely reported the \$6,303.56 expenditure to JR Mailing Services. While the 21-day pre-general election C-4 report covered an abbreviated reporting period, the 14-day delay in reporting one expenditure for \$319.14 out of a total of \$12,051.77 in expenditures reported on the 7-day pre-general C-4 report did not merit further enforcement.

Washington State Department of Transportation--Case #03-077; Investigator: Lori Anderson

Date Received: October 25, 2002

Date Started: October 25, 2002

Section of Law: RCW 42.190

Status: Investigation Complete

Summary: A complaint was filed by Shawn Newman, President of Citizens for Leaders with Ethics and Accountability Now (CLEAN) alleging that the Washington State Department of Transportation (WSDOT) used public funds to pay the costs of a mailing providing recipients with information about the Tacoma Narrows Bridge Project. The mailing was a newsletter originally paid for and sent out by United Infrastructure Washington, Inc. (UIW), but UIW received payments from WSDOT during 2002 for “developer costs” (including the mailing costs) UIW incurred in connection with the Tacoma Narrows Bridge Project. Mr.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Newman alleged that the mailing originally undertaken by UIW constituted indirect lobbying.

Disposition: Dismissed with the concurrence of the chair. It was found that WSDOT and UIW entered into a development agreement in June of 1999. The development agreement required UIW to bear the project development costs until it sold public bonds to pay for design and construction of the project. WSDOT and UIW entered into a second letter agreement in December 2001, emphasizing each party’s continued commitment to allow the project to be completed under the Public-Private Transportation Initiatives Act. This letter agreement contained a proviso that if Washington State issued bonds to finance the project, WSDOT would reimburse UIW for its development costs, expenses, and fees incurred from May 13, 1994. The Legislature amended the statute significantly changing the Public-Private Transportation Initiatives Act and made state-issued financing possible for certain projects, and in 2002 appropriated \$800 million to fund the second Tacoma Narrows Bridge project and approximately \$39 million to be paid to UIW for development costs, expenses and fees. In amending this statute, the legislature recognized that existing contracts would be affected and allowed for such contracts and agreements to be honored. WSDOT reimbursed UIW for its costs and expenses as agreed to in the December 27, 2001 letter agreement that included all of UIW’s project costs, including the cost of a newsletter. At the time the newsletter was produced and distributed, the activity was not under the jurisdiction of RCW 42.17.190, because it was being funded by UIW, not WSDOT, and both parties expected UIW to be reimbursed with revenue from the sale of public bond. The change in the funding of the project meant that WSDOT had to pay UIF for its costs that included the newsletter. Thus, there was no violation.

Nixon, Toby--Case #03-081; Investigator: Kurt Young

Date Received: November 4, 2002

Date Started: November 4, 2002

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Ralph E. Gorin, chair of the 45th Legislative District Democrat’s, alleging that Toby Nixon, a candidate for State Representative in the 45th Legislative District, failed to timely file the 7-day pre-general election C-4 report as required for candidates appearing on the general election ballot.

Disposition: Dismissed with the concurrence of the chair. It was found that the Toby Nixon Campaign attempted to electronically file the 7 day pre-general

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

election C-4 report on October 28, 2002, according to the treasurer. The treasurer stated that because there was no indication from the campaign software that any errors had occurred, she assumed the C-4 report had been properly transmitted to the PDC. On November 4, 2002, after realizing that the C-4 report had not been received by the PDC, the Nixon Campaign electronically filed the 7 day pre-general election C-4 report. The report was filed six days late, one day before the election. The information on the 7-day pre-general election C-4 report was available to the public prior to the general election. In addition, the Nixon campaign substantially complied with the reporting requirements for the other C-4 reports filed during the campaign. Thus, no enforcement action was warranted.

Protect Edmonds Pets--Case #03-152; Investigator: Tony Perkins

Date Received: December 26, 2002

Date Started: December 27, 2002

Section of Law: RCW 42.17.040, .080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Finis Tupper alleging that the Protect Edmonds Pets Committee failed to register as a political committee and file reports of contribution and expenditure activities in accordance with RCW 42.17.

Disposition: Dismissed with the concurrence of the chair. It was found that the committee was actually named “Dogs and Cats Committee” and not “Protect Edmonds Pets Committee”, and that the Dogs and Cats Committee filed a Committee Registration Statement (PDC Form C-1pc) on April 3, 2002, and timely filed reports of contribution and expenditure activities. The petition form circulated by the Dogs and Cats Committee stated on the petition “Return this petition to Protect Edmonds Pets Campaign, Dogs and Cats Committee.”

Protect Our Pets & Wildlife—(Informal investigation conducted-no case number assigned); Investigator: Kurt Young

Date Received: December 20, 2002

Date Started: December 20, 2002

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was filed by Ed Owens alleging that the Protect Our Pets & Wildlife Committee failed to report a contribution they received from the Humane Society of the United States (HSUS) during 2001.

Disposition: Dismissed with the concurrence of the chair. It was found that the HSUS contribution made during 2001 was made by HSUS to the Protect Pets and Wildlife Committee in California on June 25, 2001.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Cases Referred To Attorney General For Further Action

Concerned Citizens for Better Government (CCBG) and Joseph Coomer, Treasurer, CCBG--#00-241; Investigator: Kurt Young

Date Received: October 21, 1999

Date Started: October 25, 1999

Section of Law: RCW 42.17.080 and .090

Status: Investigation Complete

Summary: A complaint was received from Meg Van Wyk, alleging that Concerned Citizens for Better Government (CCBG) and Joseph Coomer, Treasurer, CCBG, distributed political advertising without properly reporting or filing the required campaign disclosure reports. An enforcement hearing was held February 27, 2001.

Disposition: The Commission found that the Respondent committed multiple apparent violations and referred the matter to the Attorney General's Office.

Washington Education Association—Case #01-002; Investigator: Lori Anderson

Date Received: August 15, 2000

Date Started: August 18, 2000

Section of Law: RCW 42.17.760

Status: Investigation Complete

Summary: A complaint was received from the Evergreen Freedom Foundation and public school employees alleging that the Washington Education Association (WEA) and Washington School Districts are in violation of RCW 42.17.680 and 42.17.760. The complaint alleges that Washington School Districts are in violation of RCW 42.17.680 by withholding dues and fees from employees' wages that are used by the WEA and the National Education Association (NEA) for contributions to political campaigns. The complaint also alleges that the WEA is violating RCW 42.17.760 by using agency shop fees for political contributions and expenditures without the affirmative authorization of non-members. The complaint was forwarded to the PDC by the Attorney General's Office following its receipt of the complaint from EFF. The complaint was filed with the Attorney General's Office and all County Prosecuting Attorneys requesting that an action be commenced in the courts to address the apparent violations of RCW 42.17. The complaint said that if an action were not commenced in court the complainant would seek appropriate legal and equitable relief pursuant to RCW 42.17. RCW

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

42.17.400(4) provides a 45-day time period before a complainant may take steps to initiate a citizen’s action in superior court.

Disposition: The Commission accepted a Stipulation of Facts, Violations and Recommendations, found that the Respondent committed an apparent violation of RCW 42.17.760, stipulated to as actual violations, and referred the matter to the Attorney General’s Office.

Thurston County Superior Court Disposition: The Attorney General’s Office filed suit in Thurston County, and the case went to trial in Thurston County Superior Court. The Thurston County Superior Court found the Respondent intentionally violated RCW 42.17.760, and assessed a total civil penalty of \$400,000. The Washington Education Association has appealed that decision.

Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman—Case #02-281; Investigator: Kurt Young; (Also received 45-Day Letter of Complaint)

Date Received: February 6, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.080, .090, .120, & .125

Status: Investigation Complete

Summary: A complaint was filed by PDC Executive Director Vicki Rippie against Permanent Offense, Permanent Offense Incorporated, Traffic Improvement Initiative Committee, and Tim Eyman alleging the following: 1) failure to properly report committee expenditures, including the purpose of those expenditures; 2) concealing the fact that committee funds were expended to pay Mr. Eyman for compensation for the work he performed on behalf of Permanent Offense; 3) use of committee funds to pay for Mr. Eyman’s personal expenses. In addition, a “45-day letter of complaint” was filed by Richard A. Smith and Knoll Lowney, attorneys with Smith & Lowney, PLLC, representing Permanently Offended, with the Office of the Attorney General and the County Prosecutor’s Offices in King, Snohomish and Thurston counties against Permanent Offense, Permanent Offense, Inc., Traffic Improvement Initiative, Tim Eyman, Karen Eyman, and Suzanne Karr alleging violations similar to those outlined in the PDC complaint.

Disposition: A report to the Commission was presented at its special April 9, Commission meeting. The Commission found that the Respondent committed multiple apparent violations and referred the matter to the Attorney General’s Office.

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

**National Education Association—Case #02-282; Investigator: Suemary Trobaugh;
(45-Day Letter of Complaint)**

Date Received: January 31, 2002

Date Started: February 6, 2002

Section of Law: RCW 42.17.040, .080, .090, .680 and .760

Status: Investigation Complete

Summary: On January 31, 2002, the Evergreen Freedom Foundation, Lowell Johnson, Carrie Riplinger, Susan Kobes and David Williams, through attorney Jeanne Brown filed a citizen’s action letter under RCW 42.17.400(4) with the Office of the Attorney General and the State of Washington’s County Prosecutors’ Offices. The complaint alleged violations by the NEA’s Ballot Measure/Legislative Crisis and Media Campaign Fund of 1) RCW 42.17.040 et. seq (failure to register as a political committee); 2) violations of RCW 42.17.680(3) (diverting a portion of an employee's wages or salaries for contributions to political committees without the written request of the employee); and 3) violations of RCW 42.17.760 (using agency shop fees paid by non members to influence an election without written authorization by the Individual). On February 6, 2002, the Office of the Attorney General officially notified the PDC that they were referring the matter to the PDC for investigation. PDC Staff completed a Preliminary Report of Investigation and prepared a memorandum to Commission members concerning Staff’s findings and recommendation.

Disposition: On April 9, 2002, the matter was on the Commission’s agenda as a report to the Commission. In light of the complaint the Evergreen Freedom Foundation filed against the NEA in Thurston County Superior Court on April 8, 2002 under provisions of RCW 42.17.400(4), the Commission accepted Staff’s recommendation that it take no action in this case. On August 23, 2002, Thurston County Superior Court Judge Paula Casey dismissed the lawsuit filed by EFF against NEA. Judge Casey’s dismissal was based on a decision by the WA State Court of Appeals in State ex rel. Evergreen Freedom Foundation v Washington Education Association, No. 25272-4-II, where the court stated that “Before the 10-day period¹ had passed after EFF’s second letter to the AG, the AG forwarded the allegations to the PDC for investigation...Because the AG acted before the end of the 10-day period, EFF could not bring a citizen’s action lawsuit under

¹ RCW 42.17.400 states: “The citizen action may be brought only if the attorney general...ha(s) failed to commence an action hereunder within forty-five days and after such notice and such person has thereafter further notified the attorney general...that said person will commence a citizen’s action within ten days upon their failure to do so...”

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

RCW 42.17.400...” By a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680.

On October 2, 2002, at a special Commission meeting, by a unanimous vote, the Commission dismissed the allegations that NEA violated RCW 42.17.040 and 42.17.680. By a unanimous vote, the Commission found multiple apparent violations of RCW 42.17.760 by the NEA when it used agency shop fees to make contributions or expenditures to influence an election or to operate a political committee without authorization from the employees. The Commission found that given the insufficiency of its penalty authority, in lieu of holding an enforcement hearing, the Commission referred the above referenced apparent violations to the Washington State Attorney General's Office for appropriate action pursuant to RCW 42.17.360 and .395 and WAC 390-37-100.

**Washington State Democratic Central Committee—Case #03-005; Investigator:
Susan Harris**

Date Received: July 8, 2002

Date Started: July 8, 2002

Section of Law: RCW 42.17.065, .080, & .090

Status: Investigation Complete

Summary: A complaint was filed by PDC Executive Director Vicki Rippie alleging that the Washington State Democratic Central Committee (WSDCC) violated RCW 42.17.080 and .090 by failing to file C-3 reports disclosing contributions received during the 2000 election cycle. In addition, the complaint also alleged the WSDCC failed to timely file C-3 reports disclosing contributions received during the 2000 election cycle until August of 2001 and January of 2002.

Disposition: This matter was presented as a report to the Commission on August 27, 2002. The Commission found multiple apparent violations of RCW 42.17.080 and 42.17.090 for failure to timely file reports of contributions and expenditures, and referred the case to the Attorney General's Office for appropriate action.

Part II

Active Investigations

Investigations In Progress

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

The American Dream Coalition--Case #03-079; Investigator: Kurt Young

Date Received: November 1, 2002

Date Started: November 1, 2002

Section of Law: RCW 42.17.100 and .530

Status: Under Investigation

Summary: A complaint was filed by John D. Morgan, Chair of the Kitsap County Democratic Central Committee, alleging that “The American Dream Coalition” failed to report independent expenditures made in opposition to Tim Botkin, an incumbent Kitsap County Commissioner seeking re-election, and made false statements about Mr. Botkin in political advertising paid for and sponsored by “The American Dream Coalition”.

Disposition: Pending

Fortunato, Phil--Case #03-154; Investigator: Lori Anderson

Date Received: December 30, 2002

Date Started: January 10, 2003

Section of Law: RCW 42.17.530

Status: Under Investigation

Summary: A complaint was filed by Geoff Simpson, a candidate for State Representative in the 47th Legislative District, against Phil Fortunato, also a candidate for State Representative in the 47th Legislative District, alleging that Mr. Fortunato sponsored political advertising that contained false statements.

Disposition: Pending

Citizens Against Gambling Expansion--Case #03-157; Investigator: Tony Perkins

Date Received: February 13, 2003

Date Started: February 14, 2003

Section of Law: RCW 42.17.040, .080, .090 and .200

Status: Under Investigation

Summary: A complaint was filed by James Springer, Chairman of the Entertainment Industry Coalition, alleging that the Citizens Against Gambling Expansion (CAGE) failed to timely register as a political committee, and failed to timely report contribution and expenditure activities that were undertaken in support of a grass roots lobbying effort.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Sultanites for the Truth--Case #03-159; Investigator: Suemary Trobaugh

Date Received: March 7, 2003

Date Started: March 14, 2003

Section of Law: RCW 42.17.040, .080 and .090

Status: Under Investigation

Summary: A complaint was filed by John Dick, board member of the Pro Sultan committee, alleging that the “Sultanites for the Truth” failed to register as a political committee in opposition to a local ballot proposition, and failed to report contribution and expenditure activities undertaken to produce and distribute a four-page newsletter.

Disposition: Pending

Cases Under Review

Roach, Pam – Case #03-024; Investigator: Lori Anderson

Date Received: August 12, 2002

Date Started: August 12, 2002

Section of Law: RCW 42.17.080, .090 and .095

Status: Under Review

Summary: A complaint was received from Greg Rodriguez alleging that the Pam Roach Campaign failed to timely file contribution and expenditure activities for her 2002 re-election campaign, and that Ms. Roach failed to file reports disclosing activities of her surplus funds account.

Disposition: Pending

Hunter, Ross--Case #03-071; Investigator: Kurt Young

Date Received: October 21, 2002

Date Started: October 21, 2002

Section of Law: RCW 42.17.080, & .090

Status: Under Review

Summary: A complaint was filed by Justin Kawabori alleging that Ross Hunter, a candidate for State Representative in the 48th Legislative District, failed to timely file the 21-day pre-general C-4 report that was due to be filed no later than October 15, 2002, and that the Hunter Campaign also failed to timely disclose obligations for orders placed.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Washington State Democratic Central Committee--Case #03-078; Investigator: Sally Parker

Date Received: October 28, 2002

Date Started: October 28, 2002

Section of Law: RCW 42.17.530

Status: Under Review

Summary: A complaint was filed by Lois McMahan, a candidate for State Representative in the 26th Legislative District, alleging that the Washington State Democratic Central Committee (WSDCC) paid for and sponsored political advertising that contained false statements about Ms. McMahan's candidacy.

Disposition: Pending

Peterson, Barbara--Case #03-082; Investigator: Tony Perkins

Date Received: November 4, 2002

Date Started: November 4, 2002

Section of Law: RCW 42.17.105

Status: Under Review

Summary: A complaint was filed by Maureen Gallegos, campaign manager for Jim Moeller a candidate for State Representative in the 49th Legislative District, alleging that Barbara Peterson, a candidate for State Representative in the 49th Legislative District, made contributions to her campaign within 21-days of the 2002 general election that exceeded the \$5,000 limitation.

Disposition: Pending

Committee to Dissolve the Rural Library--Case #03-146; Investigator: Lori Anderson

Date Received: November 21, 2002

Date Started: December 4, 2002

Section of Law: RCW 42.17.510

Status: Under Review

Summary: A complaint was filed by Walter Kloefkorn alleging that the Committee to Dissolve the Rural Library located in Stevens County, sponsored political advertising opposing a local proposition that failed to contain any sponsor identification.

Disposition: Pending

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Rickert, Marilou--Case #03-147; Investigator: Sally Parker

Date Received: December 2, 2002

Date Started: December 6, 2002

Section of Law: RCW 42.17.530

Status: Under Review

Summary: A complaint was filed by State Senator Tim Sheldon alleging that Marilou Ricker, a candidate for State Senate in the 35th Legislative District sponsored political advertising that contained false statements.

Disposition: Pending

Simpson, Geoff--Case #03-148; Investigator: Lori Anderson

Date Received: December 3, 2002

Date Started: December 13, 2002

Section of Law: RCW 42.17.530

Status: Under Review

Summary: A complaint was filed by Phil Fortunato, a candidate for State Representative in the 47th Legislative District, against Geoff Simpson, also a candidate for State Representative in the 47th Legislative District, alleging that Mr. Simpson sponsored political advertising that contained false statements.

Disposition: Pending

WA State Democratic Central Committee--Case #03-149; Investigator: Lori Anderson

Date Received: December 3, 2002

Date Started: December 13, 2002

Section of Law: RCW 42.17.530

Status: Under Review

Summary: A complaint was filed by Phil Fortunato, a candidate for State Representative in the 47th Legislative District, against the Washington State Democratic Central Committee (WSDCC) alleging that the WSDCC sponsored political advertising that contained false statements.

Disposition: Pending

Hargraves, Steven--Case #03-150; Investigator: Tony Perkins

Date Received: December 5, 2002

Date Started: December 13, 2002

Section of Law: RCW 42.17.080 and .090

Status: Under Review

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

Summary: A complaint was filed by Richard Latham alleging that Steven Hargraves, a candidate for Franklin County Sheriff failed to timely file reports of contribution and expenditure activities in accordance with RCW 42.17.
Disposition: Pending

McCary, Danny--Case #03-151; Investigator: Tony Perkins

Date Received: December 5, 2002

Date Started: December 13, 2002

Section of Law: RCW 42.17.080 and .090

Status: Under Review

Summary: A complaint was filed by Richard Latham alleging that Danny McCary, a candidate for Franklin County Sheriff failed to timely file reports of contribution and expenditure activities in accordance with RCW 42.17.

Disposition: Pending

NOTE: On July 29, 2002, King County Superior Court Judge Richard McDermott issued a Permanent Injunction in *Washington Education Association v. PDC et al.* against the PDC's distribution of, investigations concerning, and enforcement of certain provisions of the PDC's "Guidelines for School Districts in Election Campaigns" that were finalized by the PDC in August 2001. The Guidelines explain the PDC's interpretation of RCW 42.17.130. The Findings of Fact and Conclusions of Law that were also entered by the superior court, along with the Permanent Injunction, raise questions about the constitutionality of RCW 42.17.130. The PDC filed an appeal from the Permanent Injunction with the Washington State Supreme Court, and also filed an Emergency Motion to Stay the Injunction Pending Appeal. On September 4, 2002, that motion was denied. As a result, the Permanent Injunction, and the Findings of Fact and Conclusions of Law, remain in effect.

Therefore, until the State Supreme Court has heard this case after full briefing and argument by the parties and has issued its written decision, we are suspending investigation of complaints alleging violations of RCW 42.17.130, with two exceptions. The PDC will investigate, but not bring to a hearing until the State Supreme Court issues its decision, those complaints involving the use of e-mail or internal mail systems for communicating endorsements, and the use of classrooms for distributing materials expressly advocating support for or opposition to one or more candidates. See our website for copies of the Permanent Injunction and Findings of Fact and Conclusions of Law, as well as RCW 42.17.130, WAC 390-05-271 and WAC 390-05-273.

Based on the facts above, the following investigations are suspended until further notice:

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

City of Vancouver (City Officials) -- Case #02-286; Investigator: Suemary Trobaugh

Date Received: January 30, 2002

Date Started: February 13, 2002

Section of Law: RCW 42.17.130

Status: Investigation Suspended

Summary: A complaint was received from Kelly Hinton alleging that officials of the City of Vancouver used city facilities to support a February 5, 2002, local ballot proposition.

Disposition: Pending

Spencer, Dane-- Case #02-291; Investigator: Suemary Trobaugh

Date Received: March 18, 2002

Date Started: April 1, 2002

Section of Law: RCW 42.17.130

Status: Investigation Suspended

Summary: A complaint was received from Tom Hujar alleging that officials of the Bainbridge Island Park District used park facilities to support a February 5, 2002, local ballot proposition.

Disposition: Pending

Foote, Michael -- Case #02-292; Investigator: Sally Parker

Date Received: April 1, 2002

Date Started: April 15, 2002

Section of Law: RCW 42.17.130 and .510

Status: Investigation Suspended

Summary: A complaint was received from Robert Awford alleging that Michael Foote used the facilities of King County Water District #54 to produce and distribute a flyer that supported or opposed candidates for Des Moines City Council during the 2001 City Council elections.

Disposition: Pending

Pearsall-Stipek, Cathy; McCarthy, Pat-- Case #02-294; Investigator: Sally Parker

Date Received: April 3, 2002

Date Started: April 15, 2002

Section of Law: RCW 42.17.130

Status: Investigation Suspended

Summary: A complaint was received from Dale Washam alleging that Cathy Pearsall-Stipek, Pierce County Auditor, used or authorized the use of facilities of

Note: If the Disposition shows “Pending,” the case has not yet been resolved and no finding on the allegations has been made.

the Pierce County Auditor’s Office to assist her 1998 election campaign for Pierce County Auditor and the 2002 election campaign of Pat McCarthy for Pierce County Auditor. The portion of the complaint alleging that Pat McCarthy violated RCW 42.17.130 was dismissed July 22, 2002.

Disposition: Pending

Peterson, Gary; Benjamin, Richard; Foote, Michael; Steenrod, Maggie; Guite, Jerry; Coomer, Joe-- Case #02-296; Investigator: Sally Parker

Date Received: April 15, 2002

Date Started: April 19, 2002

Section of Law: RCW 42.17.040, .080, .090, .100, .130, .240 and .510

Status: .130 Portion of Investigation Suspended

Summary: A complaint was received from Dave Kaplan alleging a number of violations against several candidates and individuals. One allegation was that Michael Foote used the facilities of King County Water District #54 to produce and distribute a flyer that supported or opposed candidates for Des Moines City Council in the 2001 City Council elections. That portion of the complaint has been suspended pending the outcome of pending litigation. See Table of Contents for location of additional case summary information.

Disposition: Pending

Anderson, Don--Case #03-007; Investigator: Kurt Young

Date Received: July 10, 2002

Date Started: July 10, 2002

Section of Law: RCW 42.17.130

Status: Investigation Suspended

Summary: A complaint was received from Karl Sloan alleging that Don Anderson, an employee of the Okanogan County Prosecutor’s Office and a candidate for Okanogan County Prosecutor in 2002, violated RCW 42.17.130 by using the facilities of the Okanogan County Prosecutor’s Office to support his candidacy.

Disposition: Pending